

Minutes  
Human Services Commission  
Thursday, February 19, 2004  
5:00 P.M.  
Paiute Neighborhood Center – Building 9  
6535 E. Osborn  
Scottsdale, AZ 85251

Present: Chairperson Fausel, Vice-Chair Bachmann, Commissioners Coudroglou, Reid and Resnick

Absent: Commissioners Bitenc and Bilsens

Staff Present: Connie James, Mark Bethel, Kathy Breen, Donna Brower, Dawn Cagan, Cindy Ensign, Vicki French, Bev Johnson, Diane Kallal, Valerie Kime Trujillo, Rita Koppinger, Paul Ludwick, Jack Miller, Tim Ostby and Mary Kay Rieke

CALL TO ORDER

Vice-chair Bachmann called the meeting to order at 5:04 pm.

APPROVAL OF MINUTES FROM THE February 2 and 4 2004 CDBG/GENERAL FUND MEETING

Commissioner Resnick moved for approval of the February 2 and 4, 2004 meeting minutes; Commissioner Reid seconded and the motion carried unanimously.

HOUSING BOARD RECOMMENDATIONS

Mark Bethel, Community Assistance Manager, discussed the Housing Board's hearing process and deliberation of proposals at their meeting held on February 17, 2004. He also handed out the summary of the recommendations, which is attached to these minutes.

Barbara Williams, Chair of the City of Scottsdale Housing Board, presented the Housing Board's recommendations for the CDBG Housing activities and HOME funds.

Chairperson Williams discussed the application from the Citizen and Neighborhood Resources Department for Housing Rehabilitation and the surplus that they have been accumulating. She indicated that the department indicated that their goal is to rehab forty units this upcoming funding cycle and not have a huge surplus, the Housing Board decided to give them that opportunity and funded them for the full amount of \$477,915.

Chairperson Williams discussed the Foundation for Senior Living proposal for housing rehabilitation, that their administrative costs were higher and that they currently have a wait list of 2,700 units that need rehabilitation and therefore the Housing Board decided not to fund the organization, although they did agree to fund the agency's Emergency Repair Program for \$175,000. The Emergency Repair Program has been expending funds in an efficient manner and is continuing to meet their annual goal of households completed.

Regarding the Community Services of Arizona's request for the First-Time Homebuyer's Program, the Housing Board agreed to fund the agency for \$251,491 of the \$266,240 that they requested if they could assure the Housing Board they would fund 10 first-time home buyers and ask for no extensions in the next fiscal year.

Chairperson Williams discussed the application from Aaron and Kathryn Kuhl, indicating they did not meet the regulations, and the board agreed to accept staff's recommendation not to fund them.

Chairperson Williams discussed that the Housing Board decided to fund the Affordable Rental Movement (ARM) program from Save the Family for \$495,449 as opposed to their requested \$550,000. Mr. Bethel indicated that if the agency cannot find a suitable 4-unit rental property and purchases single family homes, it must be kept in mind that the maximum subsidy per single family unit is \$148,377 per HOME regulations.

Save the Family has four units in the Minnezona Neighborhood now and they rent units on Hayden Road and Roosevelt for transitional services. This funding is for permanent housing, and targets those that are in transitional housing.

Vice-chair Bachmann asked why the Citizen and Neighborhood Resources Department (CNR) had a backlog of 20 units needing rehab and a surplus of \$320,000. Mr. Bethel indicated that there is a long process that the department has to go through to qualify applicants. He said that they have been backlogged for three years, but they have promised that they will make qualifying applicants a priority in the next fiscal year. Mr. Bethel said the city's rehabilitation has been funded since 1978 in different forms. He also stated that the qualifications for the program that applicants: 1) have to be a resident of Scottsdale 2) have to live in the residence that is requesting rehabilitation 3) have to be income eligible. Once the applicants qualify, a rehab specialist visits the home and determines what needs to be done and then the scope of work goes out to bid for three estimates. Hence, the process can be long.

Chairperson Williams said the length of the process and the large amounts of funding that the agency has received has created the surplus and the Housing Board suggested that they either outsource the service to another non-profit or increase production in house by increasing efficiency by obtaining additional staff to complete additional projects. She also stated that Deputy City Manager Gawf said he would like to see 40 rehabs next fiscal year and the Housing Board agreed.

Ms. James discussed statistics she received from Housing Rehabilitation Coordinator Michelle Marshall. From July 1, 2002 to June 30, 2003, the department had 27 applicants that were removed from the waitlist, and 15 that qualified for assistance. The other 12 applicants failed to qualify for several reasons – they didn't want a lien on their home, they didn't respond back to the department, they were over income or ineligible according to the guidelines i.e., having a home business or tax liens. From July 1, 2003 to present the department had 33 applicants removed from the wait list for assistance, 10 that are currently being assisted or are in process, 8 that are pending response and 15 that were not assisted because of the same reasons indicated above. Ms. James added that there are currently 19 applicants on the wait list and there is an approximate wait of nine months.

Vice-chair Bachmann asked if the applicants receive the money up front, once they have qualified. Mr. Bethel stated that the applicant receives whatever the scope of work indicates, but the amount cannot exceed \$23,500. He added that there are rules and regulations that apply to the funds, e.g., no type of remodeling work can be done that is cosmetic, only necessary. The applicant signs a separate contract with the contractors and then are loaned

the money by the City of Scottsdale. Mr. Bethel said that if the applicant sells their home within three years, they have to repay the entire loan amount and only 50% of the loan amount if they sell after 3 years.

Chairperson Williams said that the Housing Board requested and Deputy City Manager Gawf agreed that the department would review many of their programming policies and the Housing Board will try to help assist them in doing more rehab, especially in south Scottsdale. Chairperson Williams added that there were other departments that CNR could partner with, such as inspectors, to assist them. The CNR will be reporting to the Housing Board regularly with their progress.

Vice-chair Bachmann asked about the application from the Kuhls and what they could do in the future to rectify their application to qualify for funds. Chairperson Williams indicated that their application this year was different from last year and although their spirit is good, they were told what they needed to do and yet, their paperwork did not satisfy the regulations. Mr. Bethel added that these are federal funds mandated by federal rules and the City of Scottsdale is liable to follow those rules and regulations. He added that this is a Home Program, not a capital venture program, a program that facilitates partnerships with non-profit agencies and those that want to provide low income housing. He also said that he is obligated to insure that applicants have the capacity to be in real estate business and have financial control of their funds, in essence an internal operations system that protects the assets that the City of Scottsdale is ultimately responsible for, and unfortunately, they could not find that – the applicants only had personal bank statements. HUD regulations require that subrecipients must have effective financial control over and accountability for the HOME funds, property and other assets. Subrecipients are required to adequately safeguard all such assets and assure that they are solely used for authorized purposes. He said there is no way to insure that they monies are separate from their personal funds.

Vice-chair Bachmann turned over meeting to Chairperson Fausel, who arrived at 5:30 PM due to another meeting.

Chairperson Williams submitted the Housing Board's recommendations to the commission.

Mr. Bethel discussed that the Housing Board's recommendations would go with the other funding recommendations discussed by the Human Services Commission to the City Council. He added that there were additional amounts of home funds that were awarded to consortium members American Dream Down Payment program. For FY 03/04 the Community Assistance Office (CAO) will receive \$33,672 and for FY 04/05 they will receive \$25,971. The CAO could not incorporate this additional funding in this year's proposal process and will therefore go out to bid for a separate proposal process. He added that this additional funding and separate proposal process would be discussed in the Action Plan that will be presented to the City Council on April 20, 2003.

#### CDBG/HOME/GENERAL FUNDS/SCOTTSDALE CARES AND ENDOWMENT FUNDS APPLICATONS-REVIEW DISCUSSION

Commission and staff discussed funding applications and preliminary recommendations for the Community Development Block Grant (CDBG), HOME Investment Partnership Program

(HOME), Scottsdale Cares and Endowment Funds for FY 04/05. At the meeting of March 11, 2004, formal funding recommendations will be voted on by the commission.

Mark Bethel, Community Services Manager, discussed the compiling of the scores on the application sheets. Based on the scorings, the agencies were ranked for funding in each category. Mr. Bethel provided a funding recommendation spreadsheet to each commissioner. Mr. Bethel said that Scottsdale's tentative allocation of CDBG funds was \$1,400,000. The amount available for General Funds is level at \$180,000. The total amount available to be awarded to the HOME proposals is \$695,090, which includes \$103,319 in reprogrammed HOME funds and \$200,000 from the City of Scottsdale Affordable Housing Fund (General Funds). Mr. Bethel indicated that he received notice from the Maricopa County Consortium that an additional \$1,152 was awarded to Scottsdale, which is also incorporated to the total amount of HOME Funds awarded.

Connie James, Human Services Director, explained the process that the Human Services staff undertook to determine their funding from the CDBG, General Fund, Scottsdale Cares and Endowment funds. Ms. James indicated that the Commission is encouraged to move numbers and priorities, as they feel necessary. Ms. James reviewed each of the agencies on the chart.

### ***CDBG Public Services***

Ms. James provided an overview of the staff funding recommendations, providing additional information regarding agencies with changes to their prior year funding, with \$208,350 funded.

Commissioner Resnick stated that there was consensus with staff on most of the funding and that he was agreeable to all figures recommended by staff. The Commission concurred. Ms. James stated that the scoring sheets that the commission has used the last two years have been very helpful.

### ***Scottsdale Cares Recommendations***

Ms. James provided an overview of staff funding recommendations, again providing pertinent information about the recommendations that staff made.

### ***General Fund Information***

Ms. James provided an overview of staff funding recommendations, again providing pertinent information about the recommendations that staff made.

Vice-chair Bachmann asked why, if the Chrysalis shelter received the highest score, they were not fully funded. Ms. James said that Chrysalis was not fully funded because of extra monies given to ViCAP – she then asked Dawn Cagan and Donna Brower, Human Services Coordinators to explain. Ms. Cagan said that ViCAP works a great deal through both senior centers and provides many services to Scottsdale seniors, such as assisting seniors in their homes, taking them to the grocery store and doctor appointments and making home visits. Ms. Brower stated that Chrysalis receives more funding in other categories than ViCAP, and ViCAP does essential things in our community for seniors that improve their quality of their life.

Ms. James indicated that the funding for Chrysalis and ViCAP are staff recommendations, and commission could change them if they wished.

Vice-chair Bachmann stated he believed that Chrysalis should be fully funded, because although they get other funding, we know what they are spending it on and it does not begin to meet their needs. Ms. Brower said that as she remembered the conversation Community Legal Services also received an increase in funding because it is also an essential service to the citizens of Scottsdale. Rita Koppinger, Human Services Manager at Vista del Camino, stated that Community Legal Services is essential because it is the one service that provides no cost legal assistance to low and moderate-income citizens. The assistance ranges from landlord/tenant issues to divorce workshops and is the only place that women who can't afford an attorney can go if they want a divorce or child custody. She added that there are legal services provided at the Paiute Neighborhood Center, but citizens can only use the service one for consultation and they do not go to court with the individual.

### ***Endowment Funds Recommendations***

Human Services Planner/Budget Specialist, Cindy Ensign reviewed Endowment Funding recommendations, indicating that there were two agencies that applied for funding and that staff recommended that both be fully funded. Concerned Citizens for Community Health - Vista del Camino Ballet Folklorio will be funded \$1,250 and Concerned Citizens for Community Health – Yaqui Youth Leadership will be funded for \$2,100. Both agencies will have to provide a performance review of how the money was spent. Ms. Ensign also indicated that after the agencies are funded, there would still be funds remaining.

Commissioner Resnick asked that the commission accept the funding as recommended by staff and the commission concurred.

Commissioner Reid asked what would happen to additional funds that remain. Ms. Ensign said that the money would roll over into next year. Ms. James indicated that the monies that fund the agencies are from the interest in the endowment, so the remaining funds from this year will stay in the principal and hopefully grow next year.

Commissioner Resnick asked if the remaining funds could be given to the two agencies that applied. Ms. James said that agencies could only be funded for up to the full amount that they have requested.

### ***Other Information***

Vice-chair Bachmann suggested that receiving all the funding recommendations in advance of this meeting would be helpful so that he could go through his notes and review the agencies and his recommendations more thoroughly. Mr. Bethel said yes, staff would make sure all recommendations are there ahead of this meeting next year. Ms. James apologized for not having the recommendations available before this meeting, but said that commission could still further review the recommendations and make another recommendation at the next meeting.

### **STAFF AND COMMISSION UPDATES**

Ms. James discussed a flyer that she received regarding a call to the community for "Understanding Interracial Unity" a presentation on February 21, 2004 from 2:00 to 4:30 PM at the Camelback Seventh-Day Adventist Church at 5902 E. Camelback Road. Ms. James said that the Community of Hope Church and Ambassadors for Change (AFC) are sponsoring the event. Ms. James added that there will be all sectors of the government there, Governor

Napalitano will be reading a proclamation and although no staff will be able to attend, if any commissioners could go it would be great. Ms. James indicated that if commissioners need any further information they could contact her.

Ms. James discussed the annual Homeless Street Count being held on February 24, 2004 where every homeless person on streets of Scottsdale is counted. In Phoenix, homeless in the streets and in shelters are counted. Ms. James said that the Homeless Street Count is important because Housing and Urban Development provides funds based upon the homeless count. Ms. James said that the count will be done Tuesday evening and the results delivered to her on Wednesday morning. Police will be traveling all the way to the northern boundary of Scottsdale, where homeless have been seen. She will then send the results to Maricopa Association of Governments (MAG) and have a follow up meeting. She said she would like the police to present the report at May Human Services Commission meeting.

Ms. James discussed the memo that went to the commission regarding a joint meeting. The idea came after the East Valley Needs Assessment was completed and a good relationship was developed with all the cities involved. Questions have been raised about where to go now that the report is completed and if any joint projects will ensue. One project will be a joint meeting with the City of Mesa and Scottsdale Human Services Commissions, Mesa United Way and the Tempe Community Council on April 15. At that meeting, there will be tours of two agencies, the East Valley Men's Shelter and either La Mesita or the Child Crisis Center. After the tours, participants will return to Mesa United Way for a light meal and to discuss items that are common to each other. Chairperson Fausel said that the meeting is exciting, because it fits into the East Valley Needs Assessment piece and that these participants can find commonalities between our cities.

Ms. James then discussed the proposed agenda for remainder of year. She asked if either Chairperson Fausel or Vice-chair Bachmann could attend the April 20, 2004 City Council meeting when the funding recommendations will be voted upon. Chairperson Fausel said that she would attend.

The Commission concurred that the proposed changed agenda for the remainder of the fiscal year will work fine.

Chairperson Fausel indicated that Joe Coleman from the Scottsdale Tribune contact her and was interested in how the commission felt about the Community Services Master Plan. She indicated to Mr. Coleman that the commission was very happy to work together with the Planning Department and Don Penfield, Community Services Advisor. Mr. Coleman asked if there were any groups that the commission concentrated on and Chairperson Fausel indicated that the commission concentrated equally on all groups.

Chairperson Fausel gave compliments and many thanks for the Human Services Conference that was held earlier in the day. Ms. James indicated that Valerie Kime Trujillo spearheaded much of the work and that she has taken the lead for the past three years with the faith community. Ms. James also indicated that there are, however, things the city can and can't do due to the separation of church and state. She also said that Valerie would give a full report on the conference at the March 11 meeting.

OPEN CALL TO THE PUBLIC (A.R.S. §38-431.02)

Chairperson Fausel called for any items from the floor. There were none.

ADJOURNMENT

With no further business to be brought before the commission, Chairperson Fausel asked for a motion to adjourn the meeting. Commissioner Coudroglou moved to adjourn the meeting and Commissioner Resnick seconded. The motion carried unanimously and the meeting adjourned at 6:15 pm.

Respectfully submitted by Mary Beth Hollmann, Recording Secretary.

Meets established criteria.

Connie James  
Director, Human Services